

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

GRAMERCY ADVISORS, LLC;

Plaintiff,

V.

CARLETON A. JONES, III, and
JOHN A. JONES;

Defendants.

Civ. A. No. 07cv2809 (LMM)

**DECLARATION OF MICHAEL E. PETRELLA IN OPPOSITION TO DEFENDANTS’
MOTION TO DEFER MOTION FOR PARTIAL SUMMARY JUDGMENT OR, IN THE
ALTERNATIVE, FOR TIME TO CONDUCT DISCOVERY**

MICHAEL E. PETRELLA, being of full age, hereby declares and says as follows under penalty of perjury:

1. I am a partner in the law firm of O'Shea Partners LLP, counsel for Plaintiff Gramercy Advisors LLC ("Gramercy") in the above-captioned matter. I submit this Declaration in opposition to the motion of Defendants Carleton A. Jones III and Johns A. Jones ("Defendants") to defer Gramercy's motion for partial summary judgment or, in the alternative, for time to conduct discovery.

2. Annexed hereto as Exhibit 1 is a true and correct copy of Gramercy's Memorandum of Law filed in support of its motion for partial summary judgment.

3. Annexed hereto as Exhibit 2 is a true and correct copy of the Amended Complaint (less exhibits) filed by Defendants in their action in the United States District Court for the Middle District of Tennessee the “Tennessee Action”).

4. Annexed hereto as Exhibit 3 is a true and correct copy of a July 9, 2007 Order of the court in the Tennessee Action.

5. Annexed hereto as Exhibit 4 is a true and correct copy of the Memorandum of Law in Support of BDO Seidman, LLP's Motion to Dismiss or, in the Alternative, to Compel Arbitration, filed in the Tennessee Action.

6. Annexed hereto as Exhibit 5 is a true and correct copy of the Reply Memorandum of Law of Defendant Gramercy Advisors LLC in Further Support of Motion for a Protective Order Staying Discovery and to Stay Plaintiffs' Motion for Preliminary Injunction Relating to Other Pending Action, filed in the Tennessee Action.

7. Annexed hereto as Exhibit 6 is a true and correct copy of the Memorandum of Law of Defendant Gramercy Advisors LLC in Support of Motion to Dismiss the Amended Complaint for Lack of Personal Jurisdiction or, Alternatively, to Dismiss Pursuant to *Fed. R. Civ. P.* 9(B), 12(B)(1) and 12(B)(6), filed in the Tennessee Action.

8. Annexed hereto as Exhibit 7 is a true and correct copy of the Order, dated September 12, 2006, of the United States District Court for the Southern District of New York in *Gramercy Advisors LLC v. Kenneth R. Thompson*, 05 Civ. 9385 (RJH).

9. Annexed hereto as Exhibits 8 and 9 are true and correct copies of the Investment Management Agreements between Gramercy and Defendants.

10. Annexed hereto as Exhibit 10 is a true and correct copy of Gramercy's Complaint (less exhibits) in this action.

11. For the reasons set forth in the accompanying Memorandum of Law, Defendants' motion should be denied in all respects.

Dated: New York, New York
July 27, 2007

s/ Michael E. Petrella
Michael E. Petrella (MP 3794)
O'SHEA PARTNERS LLP
90 Park Avenue, 20th Floor
New York, New York 10016
Tel: (212) 682-4426
Fax: (212) 682-4437

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served via ECF system upon:

Winston S. Evans
Evans, Jones & Reynolds, P.C
1810 One Nashville Place, Suite 1810
Nashville, TN 37219
(212)-421-2878
(212)-421-2878 (fax)

Thomas W. Shumate, IV
Evans, Jones & Reynolds, P.C
1810 One Nashville Place, Suite 1810
Nashville, TN 37219
(615)-259-4685
(615)-2556-4448 (fax)

this 27th day of July, 2007.

s/ Michael E. Petrella
Michael E. Petrella (MP 3794)
O'SHEA PARTNERS LLP
90 Park Avenue, 20th Floor
New York, New York 10016
Tel: (212) 682-4426
Fax: (212) 682-4437